



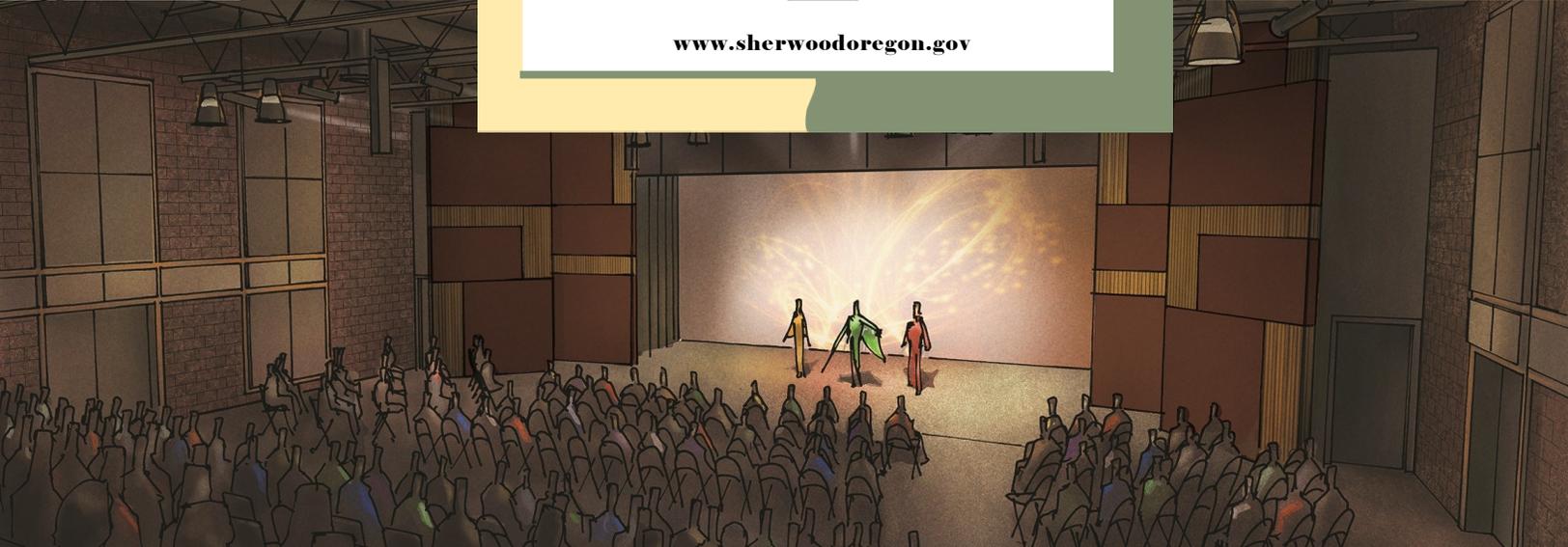
City of  
**Sherwood**  
Oregon

*Home of the Tualatin River National Wildlife Refuge*

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**2015-2016  
URBAN  
RENEWAL  
ADOPTED  
BUDGET**

[www.sherwoodoregon.gov](http://www.sherwoodoregon.gov)



# City of Sherwood Urban Renewal Agency Annual Budget

For the Fiscal Year  
July 1, 2015 - June 30, 2016



## **BOARD OF DIRECTORS:**

Krisanna Clark, *Board Chair*  
Sally Robinson, *Board President*  
Renee Brouse, *Board Member*  
Jennifer Harris, *Board Member*  
Linda Henderson, *Board Member*  
Dan King, *Board Member*  
Jennifer Kuiper, *Board Member*

## **BUDGET COMMITTEE:**

Neil Shannon, *Chair*  
Brian Stecher, *Vice Chair*  
Susan Claus  
Andy Jensen  
Andrew McConnell  
Meerta Meyer  
Kurt Studer

## **CITY STAFF:**

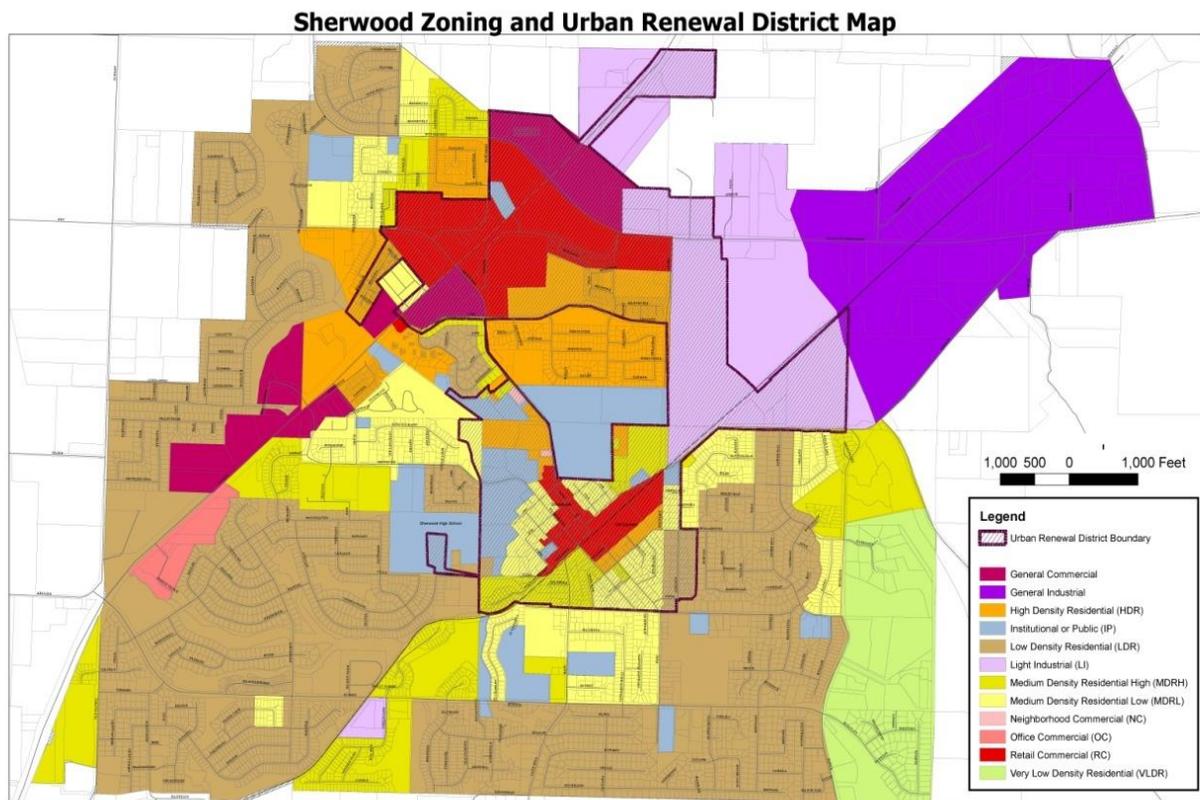
Joseph Gall, *City Manager*  
Julie Blums, *Finance Director*

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About the District

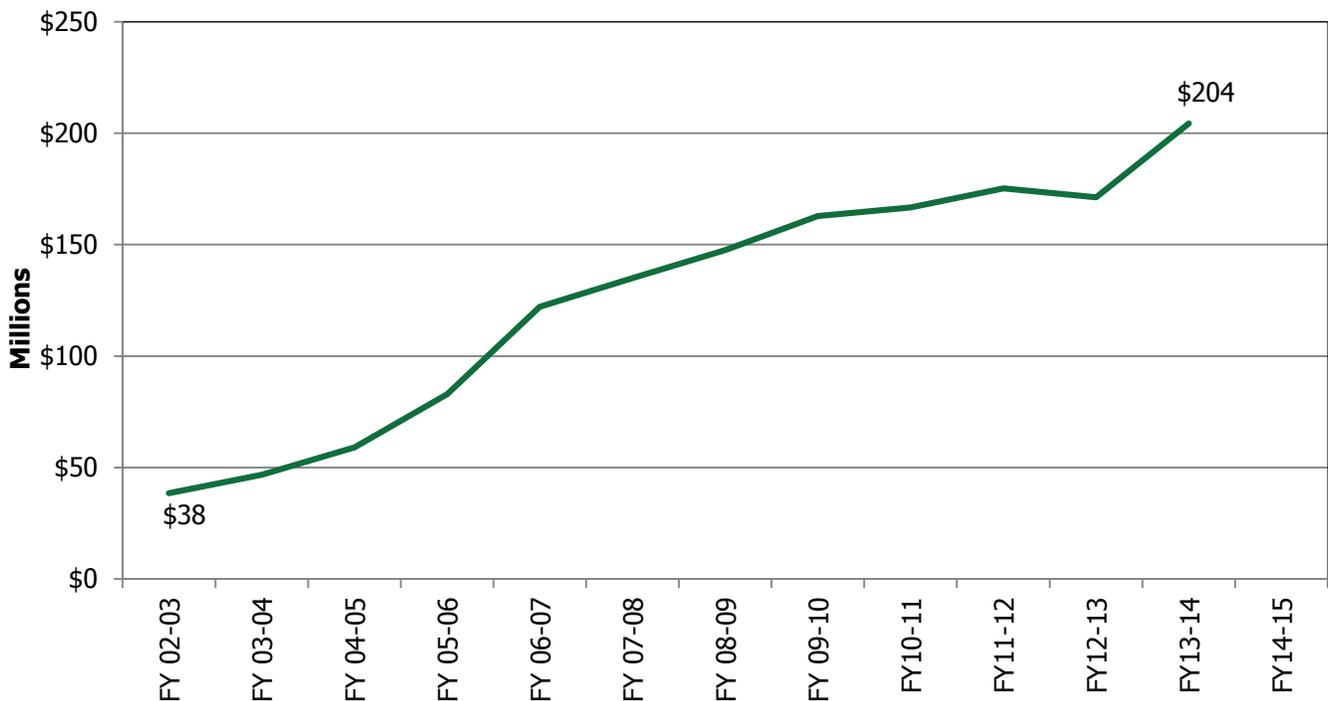
The City of Sherwood Urban Renewal Agency (URA) is a separate entity from the City. The Sherwood City Council serves as the Board of Directors for the URA and is financially accountable for its operations. In accordance with Oregon budget law, the URA prepares its own budget, and the Board of Directors approves its annual appropriations.

Urban renewal agencies are designed to borrow money and make expenditure for economic and community development projects included in the Urban Renewal Plan. When the Sherwood Urban Renewal Plan was adopted in 2000, property values were frozen. The taxes collected on that frozen value continues to flow to the taxing authorities (City, County, Schools, TVF&R, etc.). The taxes collected on increased property values that occur with NEW development generate incremental tax revenue. This tax increment is then used to repay the URA debt and implement the URA plan.

In 2012 the URA plan was amended. The Maximum Indebtedness was increased and starting in 2014 a portion of the NEW tax revenue will be shared with the other taxing authorities. The net effect of the additional shared revenue will be to keep the district open for one additional year. The District is expected to close in 2021.

Urban Renewal Tax Collections are not an additional tax. Urban Renewal Tax Collections are used to initiate development that would not be financially feasible without infrastructure improvements made possible by urban renewal financing.

Urban Renewal District Incremental Assessed Value



## Budget Message

It is my privilege to provide you, the citizens of the City of Sherwood, with my proposed Urban Renewal Agency budget for Fiscal Year 15-16.

In prior fiscal years the Agency budget consisted of two funds: a General Operating Fund and a Capital Projects Fund. For FY15-16 the Capital Projects Fund is being closed and all URA work will be budgeted in the Operating Fund. The URA budget accounts for Agency administration costs, economic development activities within the Urban Renewal Area, construction projects, and property purchases. All of the projects funded through the URA are transferred to City ownership upon completion.

The Agency operates under guidance from the Agency Board of Directors.

### FY15-16 Proposed Budget

The FY15-16 operating budget is largely a status quo budget but there are some additional expenses as we maintain and prepare to divest of assets in future years. Economic development activities which support for Old Town Sherwood and City involvement in regional economic development partnerships are budgeted to continue. Debt service payments account for the majority of the expenditures.

The FY15-16 capital projects primarily includes appropriations to:

- Construct a parking lot on the 1st Street properties acquired by the URA in 2014
- Sidewalk Improvements in Old Town
- Old Town Alley conversion (between 1st and 2nd Streets)
- Signage for the Sherwood Center for the Arts

Funding for all projects will come from fund balance.

The Agency will spend this year winding down construction activities and preparing to place the Agency in a position to run with little effort until the URA debt is paid off in 2021. I am looking forward to an active year of Agency progress and achievement.

Respectfully Submitted,

Tom Pessemier  
Assistant City Manager

**Operations**

2012-13 Actual	2013-14 Actual	2014-15 Budget		2015-16 Proposed	2015-16 Approved	2015-16 Adopted
<u>\$2,056,165</u>	<u>\$3,778,239</u>	<u>\$3,542,474</u>	<b>RESOURCES</b>			
			Beginning fund balance	\$ 1,950,180	\$ 1,950,180	\$1,950,180
			Revenue			
3,143,480	3,771,424	3,585,535	Taxes	3,585,535	3,585,535	3,585,535
30	-	-	Charges for services	-	-	-
17,417	25,986	18,000	Fines, interest and other	18,000	18,000	18,000
<u>3,160,926</u>	<u>3,797,410</u>	<u>3,603,535</u>	Total revenue	<u>3,603,535</u>	<u>3,603,535</u>	<u>3,603,535</u>
			Other sources			
533,489	-	-	Sale of fixed assets	150,000	150,000	150,000
5,619,298	-	-	Issuance of long-term debt	-	-	-
<u>6,152,788</u>	<u>-</u>	<u>-</u>	Total other sources	<u>150,000</u>	<u>150,000</u>	<u>150,000</u>
<b><u>11,369,879</u></b>	<b><u>7,575,649</u></b>	<b><u>7,146,009</u></b>	<b>Total resources</b>	<b><u>5,703,715</u></b>	<b><u>5,703,715</u></b>	<b><u>5,703,715</u></b>
			<b>REQUIREMENTS</b>			
			Expenditures			
			Personal services			
43,698	35,401	44,115	Salaries and wages	72,219	72,219	72,219
3,621	3,500	2,175	Payroll taxes	6,742	6,742	6,742
15,798	12,382	8,067	Benefits	26,758	26,758	26,758
<u>63,117</u>	<u>51,283</u>	<u>54,357</u>	Total personal services	<u>105,719</u>	<u>105,719</u>	<u>105,719</u>
			Materials and services			
63,778	11,387	15,000	Professional & technical	32,000	62,000	62,000
4,941	-	2,000	Facility and equipment	6,500	6,500	6,500
6,797	7,977	8,602	Other purchased services	8,930	8,930	8,930
782	66	400	Supplies	100	100	100
12,953	21,394	30,000	Community activities	45,000	45,000	45,000
1,570	-	-	Minor equipment	-	-	-
27,785	22,677	20,000	Other materials & services	49,870	49,870	49,870
<u>118,606</u>	<u>63,501</u>	<u>76,002</u>	Total materials & services	<u>142,400</u>	<u>172,400</u>	<u>172,400</u>
			Capital outlay			
-	-	-	Infrastructure	450,000	450,000	450,000
-	-	-	Furniture and equipment	25,000	25,000	25,000
<u>-</u>	<u>-</u>	<u>-</u>	Total capital outlay	<u>475,000</u>	<u>475,000</u>	<u>475,000</u>
<u>181,723</u>	<u>114,784</u>	<u>130,359</u>	Total expenditures	<u>723,119</u>	<u>753,119</u>	<u>753,119</u>
			Debt service			
6,147,912	931,517	968,378	Principal	1,010,313	1,010,313	1,010,313
916,533	652,818	616,862	Interest	579,292	579,292	579,292
106,273	-	-	Issuance costs	-	-	-
<u>7,170,718</u>	<u>1,584,335</u>	<u>1,585,240</u>	Total debt service	<u>1,589,605</u>	<u>1,589,605</u>	<u>1,589,605</u>
			Other uses			
40,059	2,219,502	4,090,000	Transfers out	-	-	-
<u>40,059</u>	<u>2,219,502</u>	<u>4,090,000</u>	Total other uses	<u>-</u>	<u>-</u>	<u>-</u>
3,977,378	3,657,028	-	Ending Fund Balance	-	-	-
-	-	1,340,410	Contingency	180,177	180,177	180,177
-	-	-	Reserved for Future Years	3,210,814	3,180,814	3,180,814
<b><u>11,369,879</u></b>	<b><u>7,575,649</u></b>	<b><u>7,146,009</u></b>	<b>Total requirements</b>	<b><u>5,703,715</u></b>	<b><u>5,703,715</u></b>	<b><u>5,703,715</u></b>
0.5	0.3	0.2	FTE	0.7	0.7	0.7

**Capital**

The URA Capital Fund will be closed at the end of FY14-15. All URA activity will be recorded in the Operations Fund. This page is shown for historical purposes only.

	2012-13 Actual	2013-14 Actual	2014-15 Budget
<b>RESOURCES</b>			
Beginning fund balance	\$3,078,268	\$ 508,904	\$ 18,823
Revenue			
Charges for services	30	-	-
Fines, interest and other	15,886	2,237	-
Total revenue	15,916	2,237	-
Other sources			
Transfers in	40,059	2,399,487	4,055,000
Total other sources	40,059	2,399,487	4,055,000
<b>Total resources</b>	<b>3,134,243</b>	<b>2,910,628</b>	<b>4,073,823</b>
<b>REQUIREMENTS</b>			
Expenditures			
Personal services			
Salaries and wages	72,330	59,334	70,574
Payroll taxes	5,948	4,936	8,385
Benefits	28,057	21,049	31,121
Total personal services	106,335	85,319	110,080
Materials and services			
Professional & technical	6,528	13,824	-
Other purchased services	1,578	1,233	360
Supplies	304	1,868	-
Other materials & services	95,037	70,388	79,401
Total materials & services	103,447	87,313	79,761
Capital outlay			
Land	231,601	16,000	80,000
Infrastructure	1,980,100	2,257,583	-
Buildings	120,128	464,414	3,786,262
Total capital outlay	2,331,829	2,737,997	3,866,262
Total expenditures	2,541,611	2,910,628	4,056,103
Other uses			
Transfers out	83,728	-	-
Ending Fund Balance	508,904	0	-
Reserved for Future Years	-	-	17,720
<b>Total requirements</b>	<b>3,134,243</b>	<b>2,910,628</b>	<b>4,073,823</b>
FTE	0.9	0.7	0.9

**Urban Renewal Debt Service**

	<b>City Loans for Sherwood Urban Renewal Agency Projects</b>				
	<b>2006</b>		<b>2012 City</b>		
	<b>Downtown Streets</b>	<b>2010 Streets &amp; Cannery</b>	<b>2010 Cannery</b>	<b>Hall/Street Refinancing</b>	<b>Total Debt on behalf of URA</b>
Original Amount	\$ 6,400,000	\$ 7,065,000	\$ 5,898,888	\$ 5,245,000	\$ 24,608,888
Balance at 6/30/15	4,465,446	5,855,000	5,898,888	4,025,000	20,244,334
Payment Source	Tax Increment				
Paying Fund	URA Operations				
Year Ending June 30					
2016	483,219	555,605	129,761	550,781	1,719,366
2017	483,419	551,580	1,251,499	552,356	2,838,854
2018	483,220	552,045	1,251,499	553,481	2,840,245
2019	482,619	551,745	1,251,499	554,156	2,840,019
2020	481,619	555,680	1,251,499	549,456	2,838,254
2021-2025	2,417,146	2,765,646	1,251,498	1,762,709	8,196,999
2026-2030	969,499	2,768,053	-	-	3,737,552
	<b>\$ 5,800,741</b>	<b>\$ 8,300,354</b>	<b>\$ 6,387,255</b>	<b>\$ 4,522,939</b>	<b>\$ 20,488,350</b>

